

From: "colleen boyd" <cllnboyd@gmail.com> on 07/30/2008 12:05:04 AM

Subject: Regulation AA

When I was a graduate student at the University of Washington, I opened a credit card with Citibank VISA. I did not have a large limit as a single low income mother and for several years, I did not have trouble with the account. In 1995 a long-term relationship I had been in ended and I was left homeless and without a job with my young son, who had autism. I was in a state of crisis - I could not find a job, had limited resources and when I finally found a job, it was only part-time and I was struggling to rent a one-bedroom apartment and feed us. I contacted Citibank VISA and asked for a two-month grace period after which I would then be able to resume paying a minimum amount. They refused under any circumstances to give me a break and of course, I ended up in a collection agency. I had been a good customer prior but when I was in a state of crisis, they refused to show even a small amount of sympathy or to work with me. I simply needed a small amount of time to get stable. At the time we did not have a TV, car, computer and I was sleeping on the floor so my son could have a bed. I was not eating so my son would have food.

My financial situation improved and eventually I re-married. We were not rich but I did not feel right knowing my credit was in trouble due to this outstanding balance. Eventually the creditors from Citibank caught up with me and threatened all kinds of terrible things. At the time I was an Americorp VISTA and I asked them to help me set up a repayment plan I could afford - again - they refused and told me I would have to pay the entire balance of about 700.00 or risk being sued. They went so far as to call my neighbors and tell them I was a criminal! I actually had a neighbor come to my door to tell me that Citibank called them and told them about my financial woes - it was humiliating. Since I did not have the money to pay off the balance, I told them to do what they had to, even though I had begged them to work with me.

My account left Citibank and over the years creditors continued to call. Finally, in early 2000, I was able to set up a re-payment plan I could afford. The collection agency in Portland, OR agreed to accept 25.00 per month and I believed, in time, my bill would be paid. Since I wanted to improve my credit score and do what was right (pay off the bill), I was relieved. For the next several years I made payments as faithfully as I could - at times paying as much as 100.00 to 200.00 per month. I believed my money was going towards the principle. I did find it odd that the creditors never sent me a monthly statement so I finally requested one. It seemed I had more than paid the original amount I owed and then some. I was shocked when I received a statement in 2005 that said I owed over 2,000.00! I had been making regular payments and often paid beyond the original amount. When I contacted them and asked how it was I owed so much I was told that unless I paid 50.00 per month (remember I often paid more than this), then I was only paying interest and each month, the amount I owed ended up even more. I still do not quite understand how this worked. I demanded a clearer explanation and was verbally abused by the credit counselors at the company. Since I had more than paid the original amount I had owed Citibank, I refused to pay another dime. I feel I was

being extorted for years by this company. I have heard nothing in about a year although I fear this will come back to haunt me.

I was a single parent and full time student for years raising a child with a serious disability. Later I married a single parent with three children of his own. We never had enough money so I am the first to admit this made our lives hard and we were late on bills sometimes, but we slowly improved our credit rating. However, we are not criminals and we did the best we could. If Citibank had worked with me originally when my life fell apart and I found myself homeless and jobless with a young child, I would not be in this situation now. I feel they are far more immoral and get away with robbery, especially where interest rates are concerned.

Today my life is much more stable. I completed my PhD and work at a good job for a state university - we are still not rich - now it is student loans that will haunt us forever. I would like this problem to be resolved but frankly I am afraid to open the can of worms. I am sure it would result in me losing. As it is, VISA and later creditors to whom they sold my past due account took thousands of dollars from me to pay off a bill that was about 700.00. I understand it was my responsibility to pay what I owed but how is it these credit card companies and creditors get to legally steal even more from people who are struggling? Where is the justice in that? And why would they give a credit card to an impoverished welfare student parent in the first place? Today I counsel my students to avoid credit cards all together - no matter how broke they are, cards with high interest rates will not make their lives easier or their finances more stable. Sadly, I learned the hard way but when you are living in poverty and have children, its easy to get sucked into a short-term solution. Please reform this industry.

My name is Dr. Colleen E. Boyd, my address is 404 South Celia Avenue, Muncie, IN 47303.

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Colleen E. Boyd